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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
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DELPHI CORPORATION, et al.,	:	Case No. 05-44481 (RDD)
	:	
Debtors.	:	(Jointly Administered)
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STIPULATION AND AGREED ORDER RESOLVING OBJECTIONS OF
S&Z TOOLS & DIE CO., INC., N/K/A S&Z METALWORKS, LTD. TO
ASSUMPTION AND/OR ASSIGNMENT NOTICES IN CONNECTION
WITH SALE OF DEBTORS' BEARINGS BUSINESS

Delphi Corporation ("Delphi") and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases, (collectively, the "Debtors") and S&Z Tool & Die Co., Inc. n/k/a S&Z Metalworks, Ltd. ("S&Z") respectfully submit this Stipulation And Agreed Order Resolving Objection and Response of S&Z Tools & Die Co., Inc., n/k/a S&Z Metalworks, Ltd. to (1) Notice of Assumption and/or Assignment of Executory Contract or Unexpired Lease to Buyers in Connection with Sale of Debtors' Bearings Business and (2) Any Corresponding Cure Amount Proposed by Delphi or Otherwise, and agree and state as follows:

WHEREAS, on October 8, 2005, the Debtors filed voluntary petitions under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as then amended, in the United States Bankruptcy Court for the Southern District of New York.

WHEREAS, certain of the Debtors and S&Z entered into Purchase Order Nos. 550154422 (the "First Purchase Order"), 550162859 (the "Second Purchase Order"), and 550154419 (the "Third Purchase Order" and, together with the First Purchase Order and the Second Purchase Order, the "Purchase Orders").

WHEREAS, on January 15, 2008, the Debtors filed the Expedited Motion For Orders Under 11 U.S.C. Sections 363, 365, And 1146 And Fed. R. Bankr. P. 2002, 6004, 6006, And 9014 (A) (I) Approving Bidding Procedures, (II) Granting Certain Bid Protections, (III) Approving Form And Manner Of Sale Notices, And (IV) Setting Sale Hearing Date And (B) Authorizing And Approving (I) Sale Of Debtors' Assets Primarily Used In Debtors' Bearings Business Free And Clear Of Liens, Claims, And Encumbrances, (II) Assumption And Assignment Of Certain Executory Contracts And Unexpired Leases, And (III) Assumption Of Certain Liabilities (Docket No. 12104) (the "Sale Motion" and the sale for which approval is

sought thereby, the "Sale"), pursuant to which the Debtors, among other things, seek approval of the Sale of certain assets related to the Debtors' bearings business (the "Bearings Business") to ND Acquisition Corp. or a successful bidder pursuant to the Bidding Procedures Order (as defined below).

WHEREAS, on January 25, 2008, the Court entered the Order Under 11 U.S.C. §§ 363 And Fed. R. Bankr. P. 2002, And 9014 (I) Approving Bidding Procedures, (II) Granting Certain Bid Protections, (III) Approving Form And Manner Of Sale Notices, And (IV) Setting Sale Hearing Date In Connection With Sale Of Debtors' Bearings Business (Docket No. 12355) (the "Bidding Procedures Order").

WHEREAS, pursuant to the Bidding Procedures Order, the Debtors subsequently served a Notice of Assumption and/or Assignment of Executory Contract or Unexpired Lease to Buyers in Connection with Sale of Debtors' Bearings Business (Docket No. 12403) (the "Assumption Notice").

WHEREAS, on January 25, 2008, the Court entered the Findings Of Fact, Conclusions Of Law, And Order Under 11 U.S.C. §§ 1129(a) And (b) And Fed. R. Bankr. P. 3020 Confirming First Amended Joint Plan Of Reorganization Of Delphi Corporation And Certain Affiliates, Debtors and Debtors-In-Possession, As Modified (Docket No. 12359) (the "Confirmation Order"), thereby confirming the Plan (as defined in the Confirmation Order).

WHEREAS, on February 7, 2008, S&Z filed its Objection and Response of S&Z Tools & Die Co., Inc., n/k/a S&Z Metalworks, Ltd. to (1) Notice of Assumption and/or Assignment of Executory Contract or Unexpired Lease to Buyers in Connection with Sale of Debtors' Bearings Business and (2) Any Corresponding Cure Amount Proposed by Delphi or

Otherwise¹ (Docket No. 12543) (the "S&Z Buyer Objection"), in which S&Z, among other things, objected to any assumption, assumption and assignment, or assignment of the Purchase Orders; asserted that the cure amount associated with the First Purchase Order is not less than \$150,534.70; and asserted that the cure amount associated with the Second Purchase Order is not less than \$12,916.80.

WHEREAS, on February 14, 2008, pursuant to the Bidding Procedures Order, the Debtors served a Notice of Assumption and/or Assignment of Executory Contract or Unexpired Lease to Qualified Bidders In Connection To Sale of Debtors' Bearings Business (Docket No. 12675).

WHEREAS, pursuant to the Bidding Procedures Order, on February 19 and 20, 2008, the Debtors held an auction and selected Kyklos, Inc. as the Successful Bidder (as defined in the Bidding Procedures Order).

WHEREAS, on February 22, 2008, S&Z filed the Objection and Response of S&Z Tools & Die Co., Inc., n/k/a S&Z Metalworks, Ltd. to (1) Notice of Assumption and/or Assignment of Executory Contract or Unexpired Lease to Qualified Bidders in Connection with Sale of Debtors' Bearings Business and (2) Any Corresponding Cure Amount Proposed by Delphi or Otherwise (Docket No. 12829) (the "S&Z Qualified Bidder Objection" and, together with the S&Z Buyer Objection, the "S&Z Objections"), in which S&Z, among other things, objected to any assumption, assumption and assignment, or assignment of the Purchase Orders; asserted that the cure amount associated with the First Purchase Order is not less than \$153,201.07; and asserted that the cure amount associated with the Second Purchase Order is not

¹ Nothing contained herein affects or shall be deemed to affect the Objection and Response of S&Z Tool & Die., Inc. n/k/a S&Z Metalworks, Ltd. to (1) Notice of Assumption and/or Assignment of Executory Contract or Unexpired Lease to Buyers in connection with Sale of Steering and Halfshaft Business, and (2) any Corresponding Cure Amount Proposed by Delphi or Otherwise (Docket No. 12447).

less than \$15,405.19.

WHEREAS, the hearing on the S&Z Buyer Objection was adjourned to the March 19, 2008 omnibus hearing.

THEREFORE, the Debtors and S&Z stipulate and agree as follows:

1. All postpetition obligations related to the Purchase Orders, now existing or hereafter arising prior to the closing of the Sale (the "Closing") including, without limitation, any past-due obligations, will be paid in full (in United States Dollars) by the Debtors in the ordinary course of business pursuant to the terms, and subject to the conditions, of the Purchase Orders.

2. Nothing contained herein affects, modifies, or prevents, or shall be deemed to affect, modify, or prevent in any way (a) S&Z's right to file and recover on any administrative expense claim(s) (each an "Administrative Claim") pursuant to section 10.5 of the Plan or (b) the Debtors' right to object to any Administrative Claim.

3. Nothing contained herein affects or modifies, or shall be deemed to affect or modify, the nature, extent, validity, or priority of any Administrative Claim.

4. Nothing contained herein affects or shall be deemed to affect the nature, extent, validity, or priority of any prepetition claims of S&Z.

5. Upon the Court's approval of this Stipulation, S&Z shall be deemed to have withdrawn with prejudice the S&Z Objections.

6. If there are any inconsistencies between this Stipulation and any order approving the Sale Motion and/or the Sale, then (a) this Stipulation shall govern the parties' respective rights and remedies in all respects; and (b) all such inconsistencies shall be resolved in favor of this Stipulation.

So Ordered in New York, New York, this 18th day of March, 2008

/s/Robert D. Drain

UNITED STATES BANKRUPTCY JUDGE

AGREED TO AND
APPROVED FOR ENTRY:

/s/ John K. Lyons

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